

**GDF SUEZ Energy Resources NA Testimony regarding:  
S.B. 1081 An Act Concerning Class III Renewable Energy Credits**

GDF SUEZ Energy Resources NA (GSERNA) is a competitive retail electricity supplier in Connecticut serving approximately 100 commercial and industrial customers including municipalities and state entities. GSERNA is proud to offer big-box stores, hotels, manufacturers, and wide-ranging businesses risk-managed retail electricity products that are tailored to their needs allowing them to efficiently and sustainably grow their businesses in CT and in turn play a major role in job creation.

GSERNA appreciates the value of renewable energy and conservation as well as Connecticut's ambitious efforts in developing a robust Renewable Portfolio Standard (RPS). S.B. 1081 furthers this goal by increasing the percentage of energy that must be procured from Class III Renewable Energy Resources over the next decade.

However, it is critical that these requirements are not imposed on consumers taking electricity service under existing contracts that have prices, terms and conditions based on current requirements. Otherwise, consumers will experience unexpected costs and in some cases, electric suppliers will not be able to or feel reluctant to pass through these new costs to their own financial harm. This type of regulatory uncertainty would increase forward contracting risk. We suggest that language be added to the proposed legislation which "grandfathers" existing retail electricity supply contracts executed on or before January 1, 2012.

Failure to "grandfather" existing contracts could do long-term damage to Connecticut's expanding competitive retail market by creating regulatory uncertainty that discourage customers and suppliers from entering into contracts, denying customers the chance at energy savings. Moreover, load serving entities would have no incentive to enter into forward Class III supply arrangements, thereby defeating the purpose of increasing the renewable requirement in the first place.

Again, while we appreciate the State's continued push towards a renewable energy future through S.B. 1081, we recommend to the Committee that the most effective way to reach this goal is by grandfathering existing contracts.

Thank you for your consideration.

Submitted by:

Charles Burnham  
External Affairs Representative  
GDF SUEZ Energy Resources NA  
March 1, 2011